REMARKS

This is intended as a full and complete response to the Final Office Action dated October 18, 2006, having a shortened statutory period for response set to expire on January 18, 2007. Applicants submit this response to place the application in condition for allowance or in better form for appeal. Please reconsider the claims pending in the application for reasons discussed below.

Claims 1-18, 20, 21 and 23-30 are pending in the application. Claims 1-18, 20, 21 and 23-30 remain pending following entry of this response. Claims 1, 13 and 22 have been amended to more clearly recite the claimed features which have been previous presented and considered by the Examiner. Applicants submit that the amendments do not introduce new matter and do not raise new issues.

Claim Objections

The amendment filed 8/3/2006 is objected to under 35 U.S.C. 132 (a) because it introduces new matter into the disclosure. The examiner states that added material in claim 7 is not supported by the original disclosure. Applicants respectfully traverse this objection.

The specification clearly supports that different types of explanation are stored in the customer credit records (Specification, Paragraph [0037], last four sentences) and that the customer may be notified of a low price guarantee credit (See, e.g., Paragraph [0034], last sentence). The explanations stored in relation to each price guarantee credit are natural extensions of the contents of the notifications to the customer.

Therefore, the objection is believed to be improper, and withdrawal of the objection is respectfully requested.

Claim Rejections - 35 U.S.C. § 103

Claims 1-11 and 13-28 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over *McClung* (U.S. Pub No. 2004/0143502). Applicants respectfully traverse this rejection.

The Examiner bears the initial burden of establishing a *prima facie* case of obviousness. *See* MPEP § 2142. To establish a *prima facie* case of obviousness three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one ordinary skill in the art, to modify the reference or to combine the reference teachings. Second, there must be a reasonable expectation of success. Third, the prior art reference (or references when combined) must teach or suggest all the claim limitations. *See* MPEP § 2143. The present rejection fails to establish at least the third criteria.

In this case, *McClung* does not teach or suggest all the claim limitations. For example, *McClung* does not teach or suggest determining whether the item is purchased using a store credit card account for the store from which the item is purchased. The Examiner argues that "[a] step of determining whether a user is a member of the system (signed up through a vendor) is inherent when a purchase takes place." Applicants respectfully submit that such determining step is not at all inherent when a purchase takes place. For example, a customer who has a store credit card or account (i.e., a "member of the system") may make a purchase using another credit card or cash without ever disclosing that he has a store credit card. The purchase would take place without determining whether the customer is a "member of the system." As such, the step of determining whether a user is a member of the system is not inherent and is not taught or suggested by *McClung*. Moreover, as recited in the claims, the determination is with respect to an item purchased as related to a store credit card account, not with respect to whether the purchaser is a "member of the system." No such determination is taught or suggested by *McClung*.

As another example, *McClung* does not teach or suggest that different actions are performed based upon the determination of whether the item is purchased using a store credit card account for the store from which the item is purchased. As recited in the claims, price guarantee credits are given only for items purchased using a store credit card account, whereas, for items not purchased using a store credit card account, a notification is given to the customer about the potential credits obtainable if the store credit card had been used.

As yet another example, *McClung* does not teach or suggest notifying the customer of potential credits obtainable if the store credit card had been used, if the item is not purchased using the store credit card account. The Examiner argues that "it would have been obvious to one having ordinary skill in the art at the time the invention was made to notify a non-member at a time of purchase as to an explanation of the types of savings (such as price matching or price guarantees) that could be incurred through signing up. This would provide a greater chance of that non-member signing up." Applicants respectfully submit that the Examiner has mischaracterized the teachings of the cited reference and has applied improper hindsight in stating that such feature would have been obvious. *McClung* does not teach or suggest any different treatment between customers who used store credit cards to make a purchase and those who did not, since *McClung* discloses providing price guarantees to customer belonging to both of these categories. Therefore, there is no teaching or suggestion by *McClung* for notifying customers of the potential credits.

Therefore, the claims are believed to be allowable, and allowance of the claims is respectfully requested.

Claims 11, 12, 29 and 30 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over *McClung* (U.S. Pub No. 2004/0143502) in view of *Walker* (U.S. Pub No. 2001/0042785). Applicants respectfully traverse this rejection.

As discussed in the above examples, *McClung* fails to teach or suggest all of the claim limitations. Moreover, the cited references, either alone or in combination, fail to teach or suggest notifying the customer of potential credits if the item is not purchased using the store credit card account. Furthermore, the cited references, either alone or in combination, fail to teach or suggest determining whether the customer has transferred a balance from another credit card account to the store credit card account, wherein the amount is credited to the store credit card account of the customer if the customer has transferred a balance from another credit card account to the store credit card account. Applicants respectfully submit that the Examiner again has applied improper hindsight in

stating that such feature would be obvious. The cited references simply do not provide any teaching or suggestion for any incentive for transferring balances.

Therefore, the claims are believed to be allowable, and allowance of the claims is respectfully requested.

Conclusion

Having addressed all issues set out in the office action, Applicants respectfully submit that the claims are in condition for allowance and respectfully request that the claims be allowed.

If the Examiner believes any issues remain that prevent this application from going to issue, the Examiner is strongly encouraged to contact Gero McClellan, attorney of record, at (336) 643-3065, to discuss strategies for moving prosecution forward toward allowance.

Respectfully submitted, and
S-signed pursuant to 37 CFR 1.4,

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